

To Hawaii.PUC@hawaii.gov cc dca@dcca.hawaii.gov bcc

Subject Re:Carlyle

Aloha,
During your considering of the Carlyle Group acquisition of
Verizon Hawaii. I hope you take into account these four questions.

Aaron

There has been people complaining about the Carlyle political angle. But to me that isn't a major concern of mine. It lies in these areas primarily.

1. How this purchase will effect my DSL service price wise

According the Ask Carlyle website it appears Carlyle/ Hawaiian Telcom will set up an in house ISP to handle DSL accounts locally. Since that is the case it is very likely I would have to switch to maintain close to the price I'm currently paying for DSL.

As if I stuck with Verizon Online, it would be the same scenario as getting 3Mbps/768K DSL service from a local ISP like Flex. Where it costs 63.45 a month. The reason why is you have to pay both a DSL circuit charge and Internet access charge.

- 2. Since it looks like I will eventually have to switch ISPs possibly I'm concerned about transition problems like e-mail and connectivity
- 3. I'm concerned how comitted Carlyle is to Hawaii. I do recall they unloaded Horizon Lines after just one year of ownership for a tidy profit.

I'm not saying that scenario happen here, but Carlyle's investors look for

a high ROI on their investments, 30% I read. Not something attainable from owning a regulated ILEC.

4. How committed Carlyle is to improving the existing telephone infrastructure

here in Hawaii. Currently in Kona, the exchanges are GTD5 and GTD5EAX. This switching equipment dates back to the old GTE days from former

GTE subsidary AG Communcations Systems. This equipment is woefully inadequate

for future needs in my opinion.